

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02301A
Tortolita Water Co., Inc.
3567 E. Sunrise Dr., Ste 119
Tucson, AZ 85718

RECEIVED

ARIZONA CORP. COMM
UTILITIES DIVISION

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

A-307 RF

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Tortolita Water Co., Inc</u>			
Mailing Address <u>3567 E. Sunrise Dr #119</u>			
<u>Tucson</u>		<u>AZ</u>	<u>85718</u>
(City)		(State)	(Zip)
<u>(520) 615-9802</u>		<u>(520) 615-9789</u>	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____			
Local Office Mailing Address <u>Same as above</u>			
(Street)			
(City)		(State)	(Zip)
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Daniel H. O'Connell</u> , <u>President</u>			
(Name)		(Title)	
<u>3567 E Sunrise Dr #119</u>		<u>Tucson, AZ</u>	<u>85718</u>
(Street)		(City)	(State) (Zip)
<u>(520) 615-9802</u>		<u>(520) 615-9789</u>	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____			
On Site Manager: _____			
(Name)			
(Street)		(City)	(State) (Zip)
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>Daniel H. O'Connell</u>			
(Name)			
<u>3567</u>	<u>E Sunrise Dr</u>	<u>#119</u>	<u>Tucson, AZ</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 615-9802</u>	<u>(520) 615-9789</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: _____			
(Name)			
_____	_____	_____	_____
(Street)	(City)	(State)	(Zip)
_____	_____	_____	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input checked="" type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

Tortolita Water Co., Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000.	N/A	50,000.00
304	Structures and Improvements	127,338.	4244.60	123,093.40
307	Wells and Springs			
311	Pumping Equipment	68,634.	12,954.25	55,679.75
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	64,059.	2147.53	61,911.47
331	Transmission and Distribution Mains	101,500.	2030.00	99,470.00
333	Services	13,500.	450.00	13,050.00
334	Meters and Meter Installations	1,136	471.86	664.14
335	Hydrants	11,888	237.76	11,650.24
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	438,055	22,536.00	415,519.00

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Tortolita Water Co., Inc

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000.	N/A	—
304	Structures and Improvements	127,338.	3.33	4244.60
307	Wells and Springs			
311	Pumping Equipment	68,634.	11.59	7954.25
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	64,059	3.35	2147.53
331	Transmission and Distribution Mains	101,500	2.00	2030.00
333	Services	13,500	3.33	450.00
334	Meters and Meter Installations	1,136	5.89	66.91
335	Hydrants	11,888	2.00	237.76
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	438,055		17,131.05

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME

Tortolita Water Co., Inc

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 531.05	\$ 5389.69
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		207.67
146	Notes/Receivables from Associated Companies	1415.75	
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1946.80	\$ 5597.36
	FIXED ASSETS		
101	Utility Plant in Service	\$ 5764.05	\$ 388,054.72
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	<5404.95>	<22,536.00>
121	Non-Utility Property	70,000.00	50,000.00
122	Accumulated Depreciation – Non Utility	<12,216.40>	
	TOTAL FIXED ASSETS	\$ 58,142.70	\$ 415,518.72
	TOTAL ASSETS	\$ 60,089.50	\$ 421,116.08

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Tortolita Water Co., Inc

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	4200.00	
235	Customer Deposits		690.00
236	Accrued Taxes	81.83	112.57
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4281.83	\$ 802.57
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 4281.83	\$ 802.57
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 400.00	\$ 400.00
211	Paid in Capital in Excess of Par Value	74,600.00	468,619.00
215	Retained Earnings	<19,192.33>	<48,705.49>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 55,807.67	\$ 420,313.51
	TOTAL LIABILITIES AND CAPITAL	\$ 60,089.50	\$ 421,116.08

COMPANY NAME Tortolita Water Co., Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 694.46	\$ 1111.43
460	Unmetered Water Revenue		16.50
474	Other Water Revenues		
	TOTAL REVENUES	\$ 694.46	\$ 1127.93
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	1037.91	1595.20
618	Chemicals		
620	Repairs and Maintenance	77.73	-
621	Office Supplies and Expense	92.32	114.85
630	Outside Services	1620.00	1750.00
635	Water Testing		618.14
641	Rents	3400.00	-
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	40.96	160.96
403	Depreciation Expense	852.98	17131.05
408	Taxes Other Than Income	36.83	
408.11	Property Taxes	39.27	36.05
409	Income Tax	45.00	45.00
	TOTAL OPERATING EXPENSES	\$ 7243.00	\$ 21,451.25
	OPERATING INCOME/(LOSS)	\$ <6548.54>	\$ <20,323.32>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 15.99	\$ 9.51
421	Non-Utility Income	4250.00	
426	Miscellaneous Non-Utility Expenses		<9199.35>
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ 4265.99	\$ <9189.84>
	NET INCOME/(LOSS)	\$ <2282.55>	\$ <29,513.16>

COMPANY NAME

Tortolita Water Co., Inc

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan		N/A		
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME	Tortolita Water Co., Inc	
Name of System	Tortolita Water	ADEQ Public Water System Number (if applicable) 10154

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
56-000377	5HP	22 gpm	700	8	1	1970

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
/		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3 HP	2	5	
40 HP	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000 gal	2	2000 gal	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Tortolita Water Co., Inc	
Name of System	Tortolita Water	ADEQ Public Water System Number (if applicable) 10154

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	PVC	1500
8	PVC	2600
10		
12		
6	Ductile Iron	54
8	Ductile Iron	90

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	3
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

Six foot high block wall surrounding site

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	<u>Tortolita Water Co., Inc</u>	
Name of System	<u>Tortolita Water</u>	ADEQ Public Water System Number (if applicable) <u>10154</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<u>3</u>	<u>31.5</u>	<u>34.2</u>	<u>0</u>
FEBRUARY	<u>3</u>	<u>32.0</u>	<u>86.5</u>	<u>0</u>
MARCH	<u>1</u>	<u>12.0</u>	<u>41.8</u>	<u>0</u>
APRIL	<u>1</u>	<u>10.0</u>	<u>65.0</u>	<u>0</u>
MAY	<u>1</u>	<u>19.8</u>	<u>22.6</u>	<u>0</u>
JUNE	<u>1</u>	<u>18.5</u>	<u>20.0</u>	<u>0</u>
JULY	<u>1</u>	<u>17.0</u>	<u>28.7</u>	<u>0</u>
AUGUST	<u>1</u>	<u>16.5</u>	<u>40.5</u>	<u>0</u>
SEPTEMBER	<u>2</u>	<u>16.2</u>	<u>19.5</u>	<u>0</u>
OCTOBER	<u>2</u>	<u>22.0</u>	<u>23.1</u>	<u>0</u>
NOVEMBER	<u>2</u>	<u>21.3</u>	<u>23.4</u>	<u>0</u>
DECEMBER	<u>2</u>	<u>20.8</u>	<u>27.6</u>	<u>0</u>
TOTALS →		<u>237.6</u>	<u>432.9</u>	<u>0</u>

What is the level of arsenic for each well on your system? .0002 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1,000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☒ Yes ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
903	60	61009	0612	8.7608	6.3339	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED					
FULL CASH					
PERSONAL PROPERTY	1,000	24.5	245		245

2006 TAX SUMMARY		JURISDICTION	2006 TAXES	2005 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	21.46	PIMA COUNTY PRI	9.41	5.09	4.32
LESS STATE AID TO EDUCATION	.00	SCHOOL EQUAL.	0.00	.54	.54-
NET PRIMARY PROPERTY TAX	21.46	MARANA DST#6 PRI	9.46	5.13	4.33
SECONDARY PROPERTY TAX	14.59	PIMA COLLEGE PRI	2.59	1.37	1.22
TOTAL TAX DUE FOR 2006	36.05	COUNTY BONDS SEC	1.75	.89	.86
		MARANA DST#6 SEC	5.02	2.49	2.53
		PIMA COLLEGE SEC	.48	.27	.21
		NORTHWEST FD SEC	5.86	2.94	2.92
		NORTHWEST FD BOND	.19	.16	.03
		CEN ARIZ WTR SEC	.29	.15	.14
		LIBRARY DISTRICT	.90	.32	.58
		FIRE DIST ASSIST	.10	.05	.05
		TOTALS	36.05	19.40	16.65

TOTAL VALUE OF OPERATING PROPERTY - TAXPAYER
GROUP NO 036

PAYMENT INSTRUCTIONS

To pay the 1st half installment, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2006. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2007. The minimum acceptable payment is \$10 or 10% of the payment due, whichever is greater.

0078174 01 AV 0.293 **AUTO T1 0 0781 85718-320644

|||||
TORTOLITA WATER CO INC
ATTN: DANIEL H O'CONNELL
3573 E SUNRISE DR STE 119
TUCSON AZ 85718-3206

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

Please make your check payable to

Beth Ford, Pima County Treasurer
and mail to:

Beth Ford
Pima County Treasurer
PO BOX 29011
Phoenix AZ 85038-9011

PLEASE INCLUDE YOUR
STATE CODE NUMBER
ON YOUR CHECK.



2006 FIRST HALF PAYMENT COUPON

Due October 1, 2006

Amount Due 36.05

Delinquency Date First Half Payment
Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 1, 2006 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid using the first payment coupon—due October 1, 2006.

To pay taxes for the full year, send the 1st half coupon with your payment postmarked no later than Jan. 2, 2007. Delinquent interest will be waived.

DETACH AND RETURN WITH PAYMENT

1



|||||
Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
PO BOX 29011
Phoenix AZ 85038-9011

TORTOLITA WATER CO INC
903 60 61009

Print the above state code # on your check.
Payment in U.S. FUNDS ONLY
Make check payable to:

Beth Ford, Pima County Treasurer
Please indicate the amount of your payment.

\$ 36.05



Would you like a receipt?
Check here.



Change of mailing address? Please
check here and fill out the form on the
back of this slip.

2006 9036061001 1 00000003605 00000003605

Primary Account: 2507485785

Page 2 of 2

Enclosures 0

Oct 11, 2006 to Oct 31, 2006



Compass
Bank

31

TORTOLITA WATER CO INC

Business Checking
2507485785

TORTOLITA WATER CO INC

Deposit Account Recap

Beginning Balance as of October 11, 2006		.00
3 Deposits	(Plus)	5,650.00
3 Withdrawals	(Minus)	260.05
Ending Balance as of October 31, 2006		5,389.95

Account Checks by Serial Number

Serial	Date	Amount	Serial	Date	Amount
1250	Oct 24	124.00	1252	Oct 26	36.05
1251	Oct 26	100.00			

Deposits and Other Credits

Date	Serial #	Amount	Description
Oct 11		200.00	DEPOSIT
Oct 19		5,000.00	DEPOSIT
Oct 27		450.00	DEPOSIT

Daily Balance Summary

Date	Balance	Date	Balance	Date	Balance
Oct 11	.00	Oct 19	5,200.00	Oct 26	4,939.95
Oct 11	200.00	Oct 24	5,076.00	Oct 27	5,389.95

Image Items

#1250	10/24	\$124.00	#1251	10/26	\$100.00	#1252	10/26	\$36.05

Tortolita Water Co., Inc.

3567 E Sunrise Dr., Ste 119
Tucson, AZ 85718
(520) 615-9802

COMPASS BANK

1252

91-574/1221

10/20/2006

PAY
TO THE
ORDER OF

Beth Ford, Pima County Treasurer

\$ **36.05

Thirty-Six and 05/100*****DOLLARS

Beth Ford, Pima County Treasurer
PO Box 29011
Phoenix, AZ 85038-9011

MEMO

903-60-61009

AUTHORIZED SIGNATURE

⑈001252⑈ ⑆122105744⑆ 2507485785⑈

Tortolita Water Co., Inc.

Beth Ford, Pima County Treasurer

2006

10/20/2006

1252

36.05

Compass Bank Checki 903-60-61009

36.05

Tortolita Water Co., Inc.

Beth Ford, Pima County Treasurer

2006

10/20/2006

1252

36.05

Compass Bank Checki 903-60-61009

36.05

RECEIVED
CORP COMM
UNITIES

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Daniel H. O'Connell, President</u>
COMPANY NAME <u>Tortolita Water Co., Inc</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

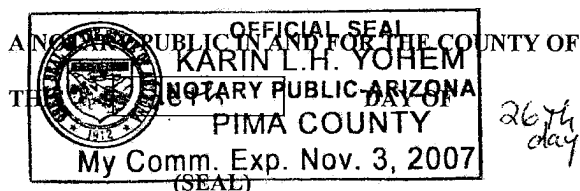
DH O'Connell

SIGNATURE OF OWNER OR OFFICIAL

(520) 615-9802

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME



COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
	<u>2007</u>

Karin L.H. Yohem

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES November 3, 2007

COMPANY NAME Tortolita Water Co., Inc YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported <20,043>
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported <20,014>
Estimated or Actual State Tax Liability 45.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -
Amount of Gross-Up Tax Collected -
Total Grossed-Up Contributions/Advances -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3/26/07
DATE

Daniel H. O'Connell
PRINTED NAME

President
TITLE

RECEIVED

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Daniel H. O'Connell, President</u>
COMPANY NAME
<u>Tortolita Water Co., Inc</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1195.49

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 67.57
IN SALES TAXES BILLED, OR COLLECTED)

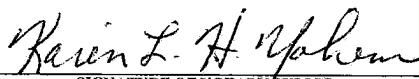
****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(520) 615-9802
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF PIMA
THIS 26th DAY OF NOVEMBER
My Comm. Exp. Nov. 3, 2007
(SEAL)

COUNTY NAME	
<u>Pima</u>	
MONTH <u>March</u>	<u>2007</u>


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES November 3, 2007

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED

ARIZONA COMM
-memor Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima	
NAME (OWNER OR OFFICIAL)	Daniel H. O'Connell	TITLE President
COMPANY NAME	Tortolita Water Co., Inc	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

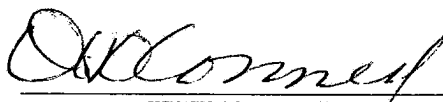
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 1195.49

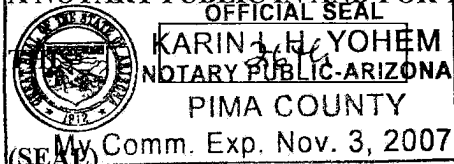
THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 67.57
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL
(520) 615-9802
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF 26th day of

NOTARY PUBLIC NAME	Karin L. H. Yohem
COUNTY NAME	Pima
MONTH	March
YEAR	2007

MY COMMISSION EXPIRES
November 3, 2007

X 
SIGNATURE OF NOTARY PUBLIC